

## PRESS RELEASE



### Committee on Transportation & Infrastructure

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## Chairman Petri's Statement From Today's Hearing On Freight Logistics

**Washington, D.C. – The following is U.S. Rep. Tom Petri's (R-WI) opening statement from today's hearing on freight logistics and the importance of an efficient transportation system in how businesses manage the distribution of their resources and products.**

Petri is the Chairman of the U.S. House Subcommittee on Highways, Transit and Pipelines. Additional information related to today's hearing can be accessed at the Committee's website: [www.house.gov/transportation](http://www.house.gov/transportation)

### **Chairman Petri's Opening Statement**

I want to welcome all of our Members and our witnesses to today's hearing on "Freight Logistics: The Road Ahead as Seen by the Users of the Highway System".

This is the second in a series of hearings on freight mobility. Our first hearing in this series – entitled "Highway Capacity and Freight Mobility: The Current Status and Future Challenges" – was held in May. Before the end of the year, we hope to hold a third hearing in this series which will address the role of technology in improving mobility.

Logistics can be defined as the overall management of the way resources are moved to the areas where they are required. Logistics as a business concept evolved in the 1950's as the days of fully integrated regional economies began to disappear and businesses began to take a more global approach.

Today, manufacturers and retailers demand raw materials and finished goods on a global scale and hope to serve a global market with their respective products and services.

In addition to globalized supply chains, businesses are cutting costs and increasing productivity by adopting "just in time" inventory strategies. Businesses from automobile manufacturers to big-box retailers are eliminating warehouses and relying on computerized inventory systems so that parts arrive when they are ready to be used and products arrive to replace the ones sold the day before.

Without an extensive and reliable freight transportation network of trucks, railroads, pipelines, airplanes and boats, businesses would not be able to incorporate global supply chains and "just in time" inventory strategies into their business models.

Freight congestion problems have a direct impact on businesses that employ "just in time" inventory strategies and global supply chains. Predictability in shipping freight is the cornerstone of both of these business strategies. The reliability of our nation's transportation system has a direct impact on the productivity of our economy.

We are very fortunate to have three senior executives from companies that rely heavily on freight logistics and are directly impacted by the reliability of the transportation system.

Our first witness is Mr. Chris Lofgren, the President and CEO of Schneider National. Schneider is headquartered in my home state of Wisconsin. My interactions with Schneider over the years and my conversations with Mr. Lofgren about freight logistics have convinced me of the direct correlation between an efficient transportation system and a profitable freight logistics business model.

Our second witness is Mr. Douglas Duncan who is the President and CEO of FedEx Freight. Mr. Duncan is a 30-year veteran of the transportation industry. He serves on the executive committees of the American Trucking Association and the Transportation Research Board and is considered an expert in the field of transportation logistics.

Our third witness is Mr. Tim Yatsko, the Senior Vice President of Transportation for Wal-Mart. Mr. Yatsko began his career with Wal-Mart in 1990 and has served in various positions in the private truck fleet division. As Senior Vice President of Transportation for the world's largest retailer, he is responsible for product movement from suppliers to Wal-Mart distribution centers and product movement from distribution centers to stores.

I look forward to hearing testimony from all of our witnesses.

**For additional information, access the Transportation & Infrastructure Committee website at:  
[www.house.gov/transportation](http://www.house.gov/transportation)**

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